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China, the fascinating flight of the dragon



Sources: Rebellion. [Image by Outras Palavras]

How the emergence of a country that rejects neoliberal dogmas, and is building the Commons, can shake a West beset by inequality, economic stagnation, environmental devastation and fascism.

Located 2,400 kilometers from Beijing, but only two hundred from the Vietnamese border, [the Nanning railway station](#) is one of the jewels of infrastructure that populate the Chinese landscape. Inaugurated in 1951, two years after the revolution led by Mao Zedong, it was completely rebuilt in 2013. Its main lobby is the size of six soccer fields, with a ceiling height of 48 meters. Today it also hosts some of the lines of the largest high-speed train network in the world, with 35,000 kilometers in length and [twice as long as all the others combined](#).

But gigantism does not take away the delicacy. Passengers wait for trains in comfortable armchairs, most with massagers. Access to the trains, which depart from the underground

floor, is through boarding gates similar to those of airports, but silent. There are restaurants and shops, but no billboards. The [architecture is inspired by](#) the verandas of the Guangxi region. The air is soft. Despite the enormous volume of the structure, the unexpectedly hot summers of the city (temperatures can reach 39°C and the humidity produces a permanent greenhouse sensation) are softened thanks to a system that combines air conditioning and electronic wind curtains. Two metro lines connect the station with the city. The energy comes from photovoltaic panels.

Outside the station, everything looks new in Nanning: the apartment or office buildings, public transportation, the systems that keep the waters of the wide Yong River clean, the asphalt of the streets and even some of [the](#) trees, propped up by stakes that indicate a recent plantation. The city's redevelopment — it had a million people in 2002 and reached 8.5 million last year — is a small part of the movement that has lifted the equivalent of three Brazilians out of poverty over the past three decades.

Action has intensified since 2015. Close to prosperous Guangdong – the [center of the grand opening of](#) the Chinese economy in 1992 – Guangxi province had lagged behind. There, 32 per cent of the population is of [Zhuang](#) origin (the country's largest ethnic minority) and 44 per cent lived in [rural areas](#). Its GDP per capita was [only 60%](#) of the national average; 10.5 per cent (or 6.4 million people) [lived in poverty](#). At that time, Xi Jinping [announced the goal](#) of "common prosperity", which revised, at least in part, the development model in force until then.

The basis of Guangxi's bailout was massive public investment, which went far beyond urban transformation. The State launched a painstaking effort to identify the pockets and causes of [rural poverty](#) – often hidden in remote corners – and a peculiar movement to overcome it, which we will examine in detail later. The peasant smallholdings were preserved. In Guangxi, the processing of tea, Chinese herbs and fruit, among other activities, was encouraged. Five years later, the process had been [completed](#) nationwide.

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The power of the Chinese dragon is well known. Since 1977, the economy has undergone an unprecedented process of industrialization, urbanization and technological advancement. The country has become the world's great factory and has gone from producing cheap textiles and electronic trinkets to sophisticated goods and services. Its exports are almost 50% higher than those of the United States and triple those of Japan. Its production of material wealth, measured by GDP, has gone from less than 3% to more than 20% of the world total and has surpassed that of the United States, according to

the [criterion that dispenses with](#) the artificial valuation of currencies and considers [real production](#).

But, unsurprisingly, there is almost no talk of the new flight of the dragon, the one that could inspire a West beset by multiple crises and beset by fascism. The elimination of poverty, transformations such as Guangxi, new leaps in education and science, and successes in the fight against pollution and in the energy transition are not only the result of GDP growth. They are the result of a political turn that has put China in the opposite direction to neoliberal orthodoxy and allowed it to avoid the [trap of rentierism](#).

Since the crisis of the global financial market in 2008 – and especially after the beginning of Xi Jinping's mandate four years later – Beijing has begun a new stage of its project. Over time, the change may become as profound and relevant as that led by Deng Hsiaoping after 1978. But the direction is different. In a then nationalized economy, Deng led the opening to the logic of the market, private enterprise and transnational corporations. The move saved the country from the collapse that ended "real socialism." The new turn, on the contrary, reverses the weight of market relations as the engine of the economy and social relations. Instead, it emphasizes the need to build the commons, building on incisive state action to promote equality and prosperity for all. And it establishes innovative mechanisms of economic planning and direction, since they are not based on the bureaucratic nationalization that characterized the Soviet experience.

Xi's turn does not mean a radical break with Deng. China does not want to get rid of foreign capital or private companies. The state continues to attract and stimulate them. But the two main identity signals of the developmental process are now different. The first is *massive public investment* aimed at the welfare of the majority. This greatly eclipses the reproduction of capitalist relations. This is because it produces equality and de-commodification of social relations.

It's easy to understand. When state health policies, for example, rely on private insurance, access to medical services becomes money-mediated and therefore unequal. Each individual gets what they can afford: from five-star hotel hospitals to poor clinics for low-income people. But if the State itself offers everyone public networks of family doctors and excellent hospitals, it guarantees equal access and deconstructs private protection, because it makes it superfluous.

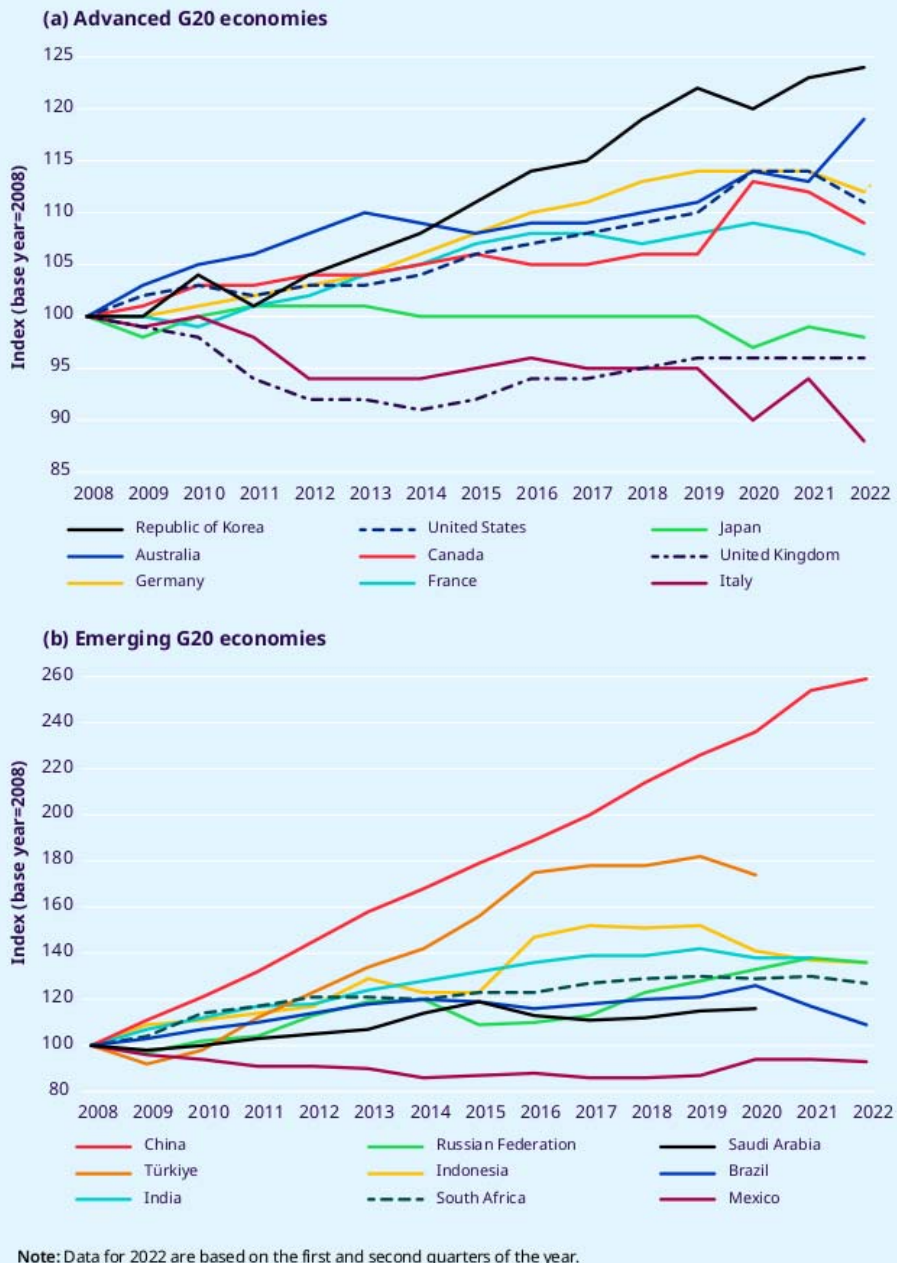
Chinese public investment is complemented by new planning, or [project planning](#), as authors like Elias Jabbour prefer to call it. Even in times of greater openness, the Chinese state has not ceased to define the general conditions for private enterprise. But since Xi,

this action has become more intense, not least because, in a richer society, the strength of large private groups and capitalist relations is growing. Part of state action is defensive. Unlike the West, China's big tech companies are controlled. In 2021, the [Alibaba group](#) was prevented from launching what could become its own digital currency, capable of subjecting social relations to its own logic. In 2022, the state abolished the then very vast and exuberant business of private tuition. He considered that they gave advantages to the children of the wealthiest families to access the best public education centers.

However, the main aspect of design is to induce economic agents. Marx called the chaos that inevitably ensues when capitalists, driven by their vested interests, invest in activities that tend to be socially and environmentally destructive, "[anarchy of production](#)." In China, private companies are everywhere. They account for 80% of urban employment. But the State acts to promote them, through a set of mechanisms such as credit (concentrated in public banks), taxes, the creation of infrastructures and the action of state enterprises, which dominate in strategic sectors.

One result is to limit the exploitation of workers. The average hourly wage in Chinese industry [tripled between 2005 and 2016](#), according to the International Labour Organization, and reached \$3.60. And it continues to rise (see the graph below, from the same source, for the period 2008-2022). Seven years ago, it was already 33% higher than in Brazil and 71% higher than in Mexico. The improvement of living conditions and the transformation of infrastructure, results of the new flight of the dragon, are spread throughout the Chinese landscape and will be examined in detail in future texts. It is worth taking a look at the effects of the same movement on a key point in the current political debate: the relationship between human beings and the environment.

► Figure 3.5. Average real wage index for the G20 countries, 2008–22



Years of great economic openness have led to an increase in pollution and CO² emissions in China. The use of coal, the historical basis of the energy matrix, has intensified. The country became known for images of citizens wearing masks and distressed under the ever-gray skies of Beijing or Shanghai. [Ecological catastrophes](#) such as soil pollution, desertification, droughts and extraordinary floods have erupted on major rivers such as the Yangtze and the Yellow River.

The script is a classic. From early nineteenth-century England to contemporary India and Vietnam, industrialization has always been marked by an alienated relationship that sees nature as a "resource" to be domesticated and exploited. The causes vary: from a lack of ecological awareness to the blackmail of capital, which agrees to relocate its industries as long as it complies with lax environmental standards.

What is not in the script is for a country in the Global South to take the lead in decontaminating its society and converting it to clean energy. The first signs of ecological concern in China date back to the early 1970s, with limited national policies and timid participation in the United Nations Environment Conference in Stockholm ([1972](#)) and Rio-92. Significant change began just ten years ago, under Xi Jinping. In 2012, the XVIII Congress of the Chinese Communist Party [declared](#) that building an "ecological civilization" was one of the five "national development goals."

Once again, the results are achieved thanks to public investment and the direction of private agents by the State. In the first quarter of 2023, China's solar power generation capacity reached 228Gw, equivalent to sixteen Itaipu plants, and [more than all](#) other countries in the world combined, according to the US organization [Global Energy Monitor](#). Another 379 GW are being installed. Wind generation [exceeded 310Gw, double that in 2017](#) and equivalent to the sum of the following seven countries combined. By 2022, the country will manufacture 80% of the world's solar panels and 57.4% of electric vehicles.

The political results of public investment in welfare are striking. There is widespread debate about the institutional systems of the West and China. What follows is not a simplistic attempt to present Chinese forms of government as superior, and we will return to this topic. But let the facts do the talking. In March of this year, the [Alliance of Democracies \(AoD\)](#) foundation conducted a [survey](#) in 53 countries on their populations' perception of the character of their political regimes. The survey is called [the "Democracy Perception Index"](#). Founded by Anders Rasmussen, until recently NATO's secretary general, the AoD is openly pro-Western. However, according to the survey, 73% of Chinese consider their country to be "democratic", while the percentage drops to 54% in the United States, 53% in the Netherlands and 49% in France. One of the central causes seems to be that 58% of Americans believe that their political system is at the service of "the minority". In China, it's only 10%.

There is no alternative, said Margaret Thatcher, and coined the phrase that has become the emblem of neoliberalism. Can there exist, in the midst of the crisis of civilization in which

the planet has plunged, a country in which the majorities believe that the State acts on their behalf, and in which this option succeeds?

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Over time, China's leaders have been able to capitalize on ideas from abroad, as long as they have deemed them suitable for their project. In an idyllic world, free from the class struggle and its miseries, Chinese solutions would now be examined by Western elites with attention and interest; and then they would seek to adapt and incorporate them, at least in part.

There's a reason why that doesn't happen. China advances above all because it goes against the dogmas that keep afloat the neoliberal ideological construction and, in particular, because it has avoided [rentierism](#), the ultra-parasitic form of capture of collective wealth that characterizes contemporary capitalism. The collective wealth, which there takes the form of public investment, modernization of infrastructures, wage increases or energy transition, appears in the West transmuted into multiple displays of feasts and individual perks. But it is expressed above all in the "irrational exuberance" of the financial markets; in [global mega investment funds](#), which accumulate assets exceeding US GDP; in [tax havens](#) where the very rich keep their money to avoid taxes; in the permanent corruption of the political system by economic power, root of the crisis that consumes democracy.

Learning from China would mean, for the rentier class that has come to rule capitalism, to give up its privileges and deconstruct itself. That is why, instead of examining the Chinese experience, curious efforts are made to prevent it from being examined. They seek to isolate it; block the paths on which it advances; If possible, end it, bring about its end.

On the economic front, the U.S. and its allies are waging a [trade war](#) that [denies globalization](#) — their most expensive project in decades — to try to prevent Beijing from accessing the most advanced chips and taking the lead in technologies such as artificial intelligence. On the geopolitical front, since Barack Obama, the United States has embarked [on a pivot to Asia](#). To this end, it has agreed to relinquish control of the Middle East, until then its central strategic objective. The movement intensified under Donald Trump and did not diminish under Joe Biden. In its latest move, Washington is trying to lure China into [a trap](#) in Taiwan similar to the one it set for Russia in Ukraine.

But it is in the field of the struggle of ideas where the anti-Beijing offensive becomes intense and daily. And a telling turn of events has emerged. For many years, China has been praised by politicians and ideologues of the Western establishment. Milton Friedman

and Margaret Thatcher visited and were enthusiastic. In the neoliberal narrative, the country was seen as proof of the inevitability of capitalism. The Soviet Union had fallen. China's opening to private enterprise supposedly confirmed that it was futile and foolish to challenge market supremacy. The Communist Party ruled, it is true. But the end of this Maoist remnant and the emergence of a liberal democracy was only a matter of time. As if that were not enough, the Chinese used their gigantic trade surpluses to finance, with massive purchases of Treasury bonds, the US trade deficit.

The honeymoon soured when it became clear that China had no intention of submitting and had another project. Now the familiar weapons of demonization are reappearing. To prevent its anti-neoliberal policies from "contaminating" the political debate, the Western media presents Beijing as a kind of incommunicable underworld. Data such as those seen above, on the significant increase in real wages and the progress of the energy transition, would have an impact if they were part of the current debate. To block this possibility, prejudices are mobilized. The country is presented as an authoritarian dictatorship, in which the population works without rights, does not enjoy basic freedoms and is forced to swallow orders imposed from above.

Books like Isabella Weber's recent *How China Escaped Shock Therapy* describe the intense and sometimes protracted controversies that precede crucial decisions in Beijing. If one reads the newspapers and articles of Chinese *thinktanks* available in English, one realizes how openly and extensively they address issues such as youth unemployment, the post-pandemic reduction in economic growth or the privacy risks posed by [facial recognition](#). In vain: for the Western media, China remains a desert without debate.

In the sixteenth and seventeenth centuries, Jesuit missionaries in China brought [Confucian thought to the West](#). They translated and published it. They thought that, since the philosopher defended an ethics without god and without fantasies about the afterlife, he did not compete with Christian beliefs. Their ideas, they imagined, could be incorporated into the hegemonic doctrine, which would be enriched. In the twenty-first century, a neoliberalism turned into dogma is incapable of doing the same with Chinese responses to the global crisis.

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The political poetics projected by China also bothers the left, when it is idealized. Beijing seems impure to them: it has accepted the dirty logic of the markets when it has been indispensable. And even today, when it stands as a clear counterpoint to the capitalist creed, the Chinese process does not fit with the old ideas of revolution. Xi Jinping seems

sympathetic and in good spirits. But how to compare him, according to a certain aesthetic, with Lenin and Trotsky, [celebrating the victory of the revolution in Smolny](#); or with Fidel and Ché, among guerrillas, cigars, salsa and rum?

Romantic illusion comes at a price. More than thirty years after the end of the Soviet Union, the Western left has not been able to formulate an alternative project. And it hardly recognizes the need to do so, given the immense changes that have occurred since the post-World War II era in the production and capture of wealth, in the class structure, in the nature and composition of political power, and in social relations. It is torn between blind electoral pragmatism, nostalgia for a working class that no longer exists and revolutions that have been left behind.

Chinese poetics, on the other hand, is anthropophagic. He doesn't seem to believe in ideals. It swallows and transforms what serves it. She doesn't see herself as a model. Recognize the experiment and the error. His trajectory is to transform the world. By despising perfection, it is a fascinating invitation to political creation.

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I visited Beijing and the Guangxi region between July 12 and 26, invited by the Chinese embassy in Brasilia and the China International Communication Group. This is the first of a series of articles that will follow the trip and a long follow-up of the reality of the country, which is ongoing. The political objective is explicit: to see how Chinese policies can be a counterpoint to the wave of regression and pessimism that marks the West.

[Original article](#)

Translated [into Spanish by pressenza magazine](#)

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